

May 17, 2006

James Fulton, Chief
Denver Field Division
Office of Surface Mining
Reclamation and Enforcement
Western Regional Coordinating Center
1999 Broadway, Suite 3320
P.O. Box 46667
Denver, Colorado 80201-6667

Dear Mr. Fulton:

Enclosed, please find hard copies of the following inspection reports, notice of violations, cessation orders, modifications, terminations, vacations, proposed assessments, finalized assessments, conference requests, hearings held, and fines paid.

Inspections

<u>Permit #</u>	<u>Inspection Date</u>	<u>Type</u>	<u>Mine Name</u>
C/007/001	04/25/2006	Complete	White Oak
C/007/004	04/12/2006	Complete	Castle Gate
C/007/005	04/25/2006	Partial	Skyline
C/007/006	04/24/2006	Partial	Star Point
C/007/011	04/26/2006	Partial	Hiawatha Complex
C/007/012	04/27/2006	Partial	Wellington Prep Plant
C/007/016	04/27/2006	Partial	Gordon Creek 2, 7, 8
C/007/019	04/21/2006	Partial	Centennial Project
C/007/020	04/17/2006	Partial	Horizon
C/007/022	04/24/2006	Complete	Savage Coal Terminal
C/007/033	04/06/2006	Partial	Wildcat Loadout
C/007/035	04/06/2006	Partial	Sunnyside Refuse/Slurry
C/007/038	04/11/2006	Partial	Willow Creek
C/007/039	04/21/2006	Complete	Dugout Canyon
C/007/041	04/20/2006	Complete	West Ridge
C/007/042	04/06/2006	Partial	Star Point Refuse
C/015/007	04/18/2006	Partial	Hidden Valley
C/015/015	04/18/2006	Partial	Emery Deep
C/015/017	04/13/2006	Complete	Des Bee Dove
C/015/018	04/19/2006	Partial	Deer Creek
C/015/025	04/07/2006	Partial	Bear Canyon
C/015/032	04/05/2006	Partial	Crandall Canyon
C/041/002	04/11/2006	Partial	SUFCO

Notice of Violation

<u>Permit #</u>	<u>Date Issued</u>	<u>NOV #</u>	<u>Mine Name</u>
C/015/025	04/10/2006	N06-46-2-2, 2 of 2	Bear Canyon (insp state)
C/007/005	05/01/2006	N06-39-3-1	Skyline
C/007/005	05/01/2006	N06-39-3-1	Skyline (attachment)
C/007/005	05/01/2006	N06-39-3-1	Skyline (insp state)

NOV/CO Termination Date

<u>Permit #</u>	<u>Date Issued</u>	<u>Date Terminated</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/015/025	04/10/2006	04/17/2006	N06-46-2-2, 2 of 2	Bear Canyon
C/007/005	05/01/2006	05/01/2006	N06-39-3-1	Skyline

Informal Hearing/ Assessment Conference Scheduled

<u>Permit #</u>	<u>Date Scheduled</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/007/019	04/18/2006	N06-49-1-1	Centennial

Rescheduling of Informal Hearing

<u>Permit #</u>	<u>Date Scheduled</u>	<u>NOV/CO #</u>	<u>Mine Name</u>
C/007/019	04/18/2006	N06-49-1-1	Centennial
C/015/018	04/07/2006	N06-39-1-1	Deer Creek

All of the listed inspection reports, modifications, terminations, vacations, assessments and correspondence, included in this envelope have been verified by one of the Permit Supervisors.

Sincerely,

Stephanie Dunlap
Secretary



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0070001
Inspection Type:	COMPLETE
Inspection Date:	Tuesday, April 25, 2006
Start Date/Time:	4/25/2006 2:00:00 PM
End Date/Time:	4/25/2006 3:00:00 PM
Last Inspection:	Wednesday, March 01, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 50's, Snow Cover at Mine

InspectionID Report Number: 938

Accepted by: pgrubaug
5/2/2006

Permittee: **LODESTAR ENERGY INC**

Operator: **LODESTAR ENERGY INC**

Site: **WHITE OAK MINE**

Address: **2525 HARRODSBURG RD STE 235, LEXINGTON KY 40504-1628**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **FORFEITURE**

Current Acreages

3,906.00	Total Permitted
151.10	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☒ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☒ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Outstanding Violations: OSM- C04-140-116-001, DOGM- FTA C03-39-1-1, FTA C03-42-1-1, C03-42-1-2, FTA C03-42-1-3, C0-51--1-1, C03-50-2-1, FTA C04-39-1-1, C03-39-1-1, C03-42-1-2, C03-42-1-1, C03-42-1-3, C03-51-1-1, N03-46-1-1, and N03-50-1-1. These violations received an "Exclusionary Code" in the AVS on October 21, 2004 due to the General Settlement Agreement signed on August 18, 2004. The Rennert parties, Congress Financial, Wexford and the Debtors trustee will receive the "exclusion" code. Lodestar Energy, Inc will remain liable in the AVS.

Reclamation was completed at the mine on November 1, 2005 and at the loadout on November 4, 2005.

Inspector's Signature: _____

Date

Tuesday, May 02, 2006

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070001
 Inspection Type: COMPLETE
 Inspection Date: Tuesday, April 25, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The mine site could not be accessed due to snow. The snow is still above the height of the gate. The snow at the loadout is almost completely melted.

2. Signs and Markers

No Identification sign was at the gate.

3. Topsoil

The loadout has been completely reclaimed. No real signs of erosion at this time.

4.c Hydrologic Balance: Other Sediment Control Measures

Several silt fences are on the ground due to snow cover this past winter.

8. Noncoal Waste

Noncoal waste material was cleared from the site.

13. Revegetation

Revegetation has not come up at this time. Snow has recently melted.

22. Other

The Division issued the Determination to Forfeit at the White Oak Mine on May 1, 2003. Chapter 7 was filed by Lodestar Energy, Inc. on July 15, 2003. The Division negotiated with the Bankruptcy Trustee and Frontier Insurance to stabilize this site. The amount of \$999,000 was escrowed from Frontier Insurance Company on October 3, 2003. Ledcor (the Frontier contractor) started work at the White Oak Mine on October 13, 2003. Ledcor (the contractor for Frontier) left the site for the winter on December 17, 2003. Reclamation work at the White Oak Loadout is being done by the Mark Wayment group. \$1.217 million was received from the Global Settlement Agreement and the contractor VCM was awarded the contract to continue reclamation at the White Oak Mine. Work started on October 3, 2004 and ended in December 2004. Reclamation work began in June 2005 and was completed on November 1, 2005 for the mine and November 4, 2005 for the loadout.

On June 18, 2004, Lodestar trustee Bill Bishop filed the master settlement between various parties (including Renco and Wexford Capital) for reclamation in a "General Settlement Fund" outside of the Lodestar bankruptcy estate. Utah received \$1.217 million dollars - this was finalized by the Bankruptcy Court on August 18, 2004.

The contract with the Frontier contractor, Ledcor, was terminated in June 2004. The monies remaining from that contract were used for reclamation at White Oak.

AMR programs administered the reclamation work at the White Oak Mine and did additional reclamation at the loadout. All reclamation work is now completed. The Division will contract the spraying of weeds annually at the mine site.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Jerriann Ernstsens Environmental Scientist II

Inspection Report

Permit Number:	C0070004
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, April 12, 2006
Start Date/Time:	4/12/2006 2:30:00 PM
End Date/Time:	4/12/2006 5:00:00 PM
Last Inspection:	Wednesday, March 08, 2006

Inspector: Jerriann Ernstsens, Environmental Scientist II

Weather: Sunny 65 degrees

InspectionID Report Number: 923

Accepted by: pgrubaug
5/16/2006

Permittee: **CASTLE GATE HOLDING CO**

Operator: **CASTLE GATE HOLDING CO**

Site: **CASTLE GATE MINE**

Address: **PO BOX 30, HELPER UT 84526-0030**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

7,619.00	Total Permitted
63.00	Total Disturbed
29.20	Phase I
18.20	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☒ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☒ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to conduct a complete inspection of the Castle Gate facilities. DOGM evaluated Adit, Hardscrabble, and Sowbelly reclaimed sites.

DOGM had difficulty entering Sowbelly because of the gate lock. DOGM reported this to the Permittee.

DOGM would like to plan an inspection visit with the Permittee this coming field season. DOGM is particularly interested in reviewing the MRP maps illustrating the reference areas and conducting an on-site visit of the reference area(s) for all three sites.

Inspector's Signature: _____

Jerriann Ernstsens, Environmental Scientist II

Inspector ID Number: 52

Date: Thursday, April 13, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070004
 Inspection Type: COMPLETE
 Inspection Date: Wednesday, April 12, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permit was renewed December 24, 2004 and is current through December 2009.

2. Signs and Markers

Signs containing the required information were posted at access points to the reclaimed area at the Adit and Sowbelly. The Company sign was not posted for Hardscrabble and the company was made aware and should post by the next inspection.

4.a Hydrologic Balance: Diversions

Adit: Flow was approx 1/2 to 1 gal/min.

Hardscrabble: No channels were flowing and the surface was dry.

Sowbelly: No channels were flowing and the surface was dry.

4.c Hydrologic Balance: Other Sediment Control Measures

Surface roughening, vegetation, and diversions are the sediment controls for the reclaimed areas.

Adit: Gouges have settled little and are still very obvious.

4.d Hydrologic Balance: Water Monitoring

Up to date and no change from fourth quarter of 2005 report.

8. Noncoal Waste

Adit: Highway litter was not significant along the roadside.

Sowbelly: It appears that the public has tampered with the signs and left debris around the gate.

9. Protection of Fish, Wildlife and Related Environmental Issues

Adit: No signs of recent wildlife presence.

Areas definitely support wildlife.

Hardscrabble: Canyon wren!! , herd of about 20 mule deer, and herd of about 8 elk. The herds were about one canyon south of the "Johnny's island". There were footprints all over the previously reclaimed area, as well as, in the substation area.

Sowbelly: Scrub jay feasting on dead rabbit.

10. Slides and Other Damage

Hardscrabble: Noted some erosion just above the road along the sloped bank (west of road, above "Johnny's Island"). The eroded areas extend about 100' above the road and have no visible signs of vegetation.

13. Revegetation

Adit, Hardscrabble, Sowbelly: Grasses starting to green at base. Most seed heads are indistinguishable, except Indian Rice grass. No deciduous plants (in reclaimed areas) have begun to leaf out. No herbaceous plants have initiated growth.

Hardscrabble: The small area (substation) approaching Phase I bond release have many gouges that are void of vegetation on tops, but filled with living plants and organic matter in the gullies.

16.a Roads: Construction, Maintenance, Surfacing

Adit, Hardscrabble, Sowbelly: All dirt roads were dry and passable.

Hardscrabble: Plants are tall enough in the road, that they are scratching the car bottom.

16.b Roads: Drainage Controls

Adit, Hardscrabble, Sowbelly: No issues.

21. Bonding and Insurance

The surety bond (#104329369) is currently set at \$680,154.00 and Certification of Insurance is in effect until all of the Permittee's reclamation obligations have been met under the rules of R645.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Gregg Galecki	Environmental Coordinator
OGM	Steve Demczak	Environmental Scientist III

Inspection Report

Permit Number:	C0070005
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, April 25, 2006
Start Date/Time:	4/25/2006 11:00:00 AM
End Date/Time:	4/25/2006 1:00:00 PM
Last Inspection:	Friday, March 17, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 60's, Snow Covered

InspectionID Report Number: 940

Accepted by: pgrubaug
5/16/2006

Permittee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **SKYLINE MINE**
Address: **HC 35 BOX 380, HELPER UT 84526**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

10,374.00	Total Permitted
79.12	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

-Permit Conditions:

- 1) Submit Water Monitoring data in electronic format to the Division.
- 2) Canyon Fuel Co. must submit all existing studies and data for the update of the PHC as a result of the mine inflows.
- 3) Canyon Fuel Co. must submit cumulative monthly flow data for discharges into Electric Lake and Eccles Creek.
- 4) Canyon Fuel Co. must have a qualified person compile and analyze past macroinvertebrate studies on Eccles Creek into one report.
- 5) Canyon Fuel Co. must initiate an update to and further evaluation of the Hydrologic and Channel-Stability Evaluation of Eccles and Mud Creek.

-The permittee is meeting these permit conditions.

-Permit Renewal was April 30, 2002, and expires on April 30, 2007. The state permit for full extraction in North Lease was approved by the state on December 2, 2005 and mining plan approval was issued on February 24, 2006 by the Secretary of the Interior.

-The permittee has the following permitting action with the Division: Midterm Permit Review.

Inspector's Signature: _____

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date: _____ Wednesday, May 03, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070005
 Inspection Type: PARTIAL
 Inspection Date: Tuesday, April 25, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Skyline has started to operate the longwall in the North Lease.

3. Topsoil

Topsoil areas were still covered with snow.

4.a Hydrologic Balance: Diversions

Diversions were spot-checked and were functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond at the mine and loadout were inspected with no hazardous conditions noticed during the inspection.

4.c Hydrologic Balance: Other Sediment Control Measures

Some silt fences along the conveyor were approved for removal by the Division several years ago. These silt fences need to be removed so not to be mistaken for repair or out of compliance.

4.d Hydrologic Balance: Water Monitoring

A Notice of Violation will be written (N06-39-3-1) for not taking all the required parameters of water samples for 2nd, 3rd, and 4th quarter.

8. Noncoal Waste

The mine site was clear of non-coal waste material.

18. Support Facilities, Utility Installations

No new support facilities were constructed since the last inspection.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dennis Ware	Controller
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070006
Inspection Type:	PARTIAL
Inspection Date:	Monday, April 24, 2006
Start Date/Time:	4/24/2006 10:00:00 AM
End Date/Time:	4/24/2006 12:00:00 PM
Last Inspection:	Wednesday, March 29, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Snow/Hail, Temp 34 Deg. F.

InspectionID Report Number: 932

Accepted by: pgrubaug
5/16/2006

Permittee: **PLATEAU MINING CORP**

Operator: **PLATEAU MINING CORP**

Site: **STAR POINT MINE**

Address: **PO BOX 30, HELPER UT 84526-0030**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

8,919.91	Total Permitted
113.34	Total Disturbed
113.34	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

UPDES Permit UT0023736 inactivated by letter dated November 18, 2004.

Inspector's Signature: _____

Date: Monday, April 24, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070006
 Inspection Type: PARTIAL
 Inspection Date: Monday, April 24, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

UPDES Permit UT0023736 inactivated by letter dated November 18, 2004.

2. Signs and Markers

The ID sign is located at the public access to the permit boundary. Other markers observed during the inspection were in place as required by the coal rules.

4.d Hydrologic Balance: Water Monitoring

Fourth quarter 2005 water monitoring is in the EDI website and uploaded. Water monitoring is current.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM Joe Helfrich Environmental Scientist III

Mark Reynolds Resident Agent

Inspection Report

Permit Number:	C0070011
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, April 26, 2006
Start Date/Time:	4/26/2006 10:30:00 AM
End Date/Time:	4/26/2006 1:00:00 PM
Last Inspection:	Tuesday, March 14, 2006

Inspector: Joe Helfrich, Environmental Scientist III

Weather: Sunny, clear, 65 slight breeze

InspectionID Report Number: 935

Accepted by: whedberg
5/3/2006

Permittee: **HIAWATHA COAL CO INC**

Operator: **HIAWATHA COAL CO INC**

Site: **HIAWATHA MINE COMPLEX**

Address: **PO BOX 1245, HUNTINGTON UT 84528**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

12,177.00	Total Permitted
290.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to conduct a partial inspection of the Hiawatha complex.

Inspector's Signature:

Date Wednesday, April 26, 2006

Joe Helfrich, Environmental Scientist III

Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070011
 Inspection Type: PARTIAL
 Inspection Date: Wednesday, April 26, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

There are no amendments pending as of the date of this inspection. The DOGM permit was issued on March 14, 2002 and expires on March 14, 2007.

2. Signs and Markers

Signs containing the required information were posted at points of access to the mining facilities. Points of access included the town of Hiawatha, King 4 and 6 facilities.

4.a Hydrologic Balance: Diversions

The main diversion routing runoff to the sediment pond was in good repair at the King 6 facility. The diversion could be deepened to prevent spring runoff overflow where it runs near the road at the lower end of the upper pad area. Diversions at the King 4 & 5 facility were in good repair for the most part. Some minor rock removal is in order along the South side of the main road.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment in the King 6 pond has been moved towards the slopes of the pond. I asked Mr. Reynolds to check the amount of sediment currently stored and the sediment storage capacity of the pond.

4.d Hydrologic Balance: Water Monitoring

Hard copies of the first quarter of 2006 water monitoring data were available for review.

15. Cessation of Operations

The operation is inactive with the exception of the slurry removal from the #1 slurry pond. Once the low lying areas dry out from snow melt, additional slurry will be removed.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Patrick D. Collins	Resident Agent
OGM	Priscilla Burton	Environmental Scientist III

Inspection Report

Permit Number:	C0070012
Inspection Type:	PARTIAL
Inspection Date:	Thursday, April 27, 2006
Start Date/Time:	4/27/2006 1:00:00 PM
End Date/Time:	4/27/2006 3:30:00 PM
Last Inspection:	Tuesday, March 28, 2006

Inspector: Priscilla Burton, Environmental Scientist III

Weather: sun, 80 F

InspectionID Report Number: 937

Accepted by: whedberg
5/3/2006

Permittee: **NEVADA ELECTRIC INVESTMENT CO**

Operator: **NEVADA ELECTRIC INVESTMENT CO**

Site: **WELLINGTON PREPARATION PLANT**

Address: **330 E 400 S STE 6, PO BOX 337 SPRINGVILLE UT 84663**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

1,573.50	Total Permitted
392.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☒ Loadout
☒ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Observed recently seeded areas and test plots for spring growth. Water in the Dryer pond is still.

Inspector's Signature: _____

Date

Friday, April 28, 2006

Priscilla Burton, Environmental Scientist III

Inspector ID Number: 37

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070012
 Inspection Type: PARTIAL
 Inspection Date: Thursday, April 27, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.c Hydrologic Balance: Other Sediment Control Measures

Grass is germinating in the shade of the silt fence along the outslope of the access road to topsoil pile #4. (The area was just seeded in spring 2006.)

7. Coal Mine Waste, Refuse Piles, Impoundments

Slurry ponds were dry. Clear water pond was dry.

9. Protection of Fish, Wildlife and Related Environmental Issues

A fox and three antelope were on the west side of the site, near the primary access road.

13. Revegetation

Walked through the fenced Vegetation Reference Area which is dominated by greasewood (*Sarcobatus*). Lichen is growing on virtually all the greasewood stems. Many of the stems were dead or dying. The lichen was also evident as a component of the biotic soil crust. Other than greasewood, one salt bush (*Atriplex gardneri*) was noted. It had been well grazed.

The test plot at the main facility was observed. Dominant plants were saltbush (*Atriplex* sp.), rabbitbrush (*Ericameria* sp. formerly *Chrysothamnus*), and *Sueda*. The rabbitbrush was well grazed. Only one grass specimen was noted and that was probably saltgrass (*Distichlis* sp.).



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company Dan Guy

OGM Joe Helfrich Environmental Scientist III

Inspection Report

Permit Number:	C0070016
Inspection Type:	PARTIAL
Inspection Date:	Thursday, April 27, 2006
Start Date/Time:	4/27/2006 10:00:00 AM
End Date/Time:	4/27/2006 2:30:00 PM
Last Inspection:	Tuesday, March 07, 2006

Inspector: Joe Helfrich, Environmental Scientist III

Weather: Sunny, high clouds, 65, slight breeze

InspectionID Report Number: 939

Accepted by: whedberg

5/4/2006

Permittee: **MOUNTAIN COAL CO**

Operator: **MOUNTAIN COAL CO**

Site: **GORDON CREEK 2, 7 & 8 MINES**

Address: **HC 35 BOX 380, HELPER UT 84526**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

179.27	Total Permitted
34.15	Total Disturbed
34.15	Phase I
	Phase II
0.73	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to conduct a partial inspection of the Gordon Creek reclaimed site. There is one amendment pending, the application for Phase II bond release, Task ID #2384.

The amendment has been reviewed by the DOGM staff. The following deficiencies were noted:

-R645-301-880.120, the Permittee must include in the newspaper advertisement, the type of bond held, and when the Permittee completed seeding.

-R645-301-880.130, The Permittee must include a notarized statement which certifies that all the applicable reclamation activities have been accomplished in accordance with the requirements of the R645 Rules.

-R645-301-830, The Permittee must include a map that shows the following so that the Division can determine the amount of bond that is needed to ensure reclamation in the event of bond forfeiture: the reclamation dates and acreages of each reclaimed area, the operation or reclamation status of each area, such as active; temporary cessation; or phase bond release and, areas proposed for bond release. These items were discussed with Mr. Guy during the previous inspection. A response has been prepared and will be submitted pending required signatures from the company. There were no compliance issues or off site impacts noted during the inspection.

Inspector's Signature: _____

Date: _____ Tuesday, May 02, 2006

Joe Helfrich, Environmental Scientist III

Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070016
 Inspection Type: PARTIAL
 Inspection Date: Thursday, April 27, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The status of the Phase II Bond Release application is noted in the Summary section of this report.

2. Signs and Markers

Signs with the required information were posted at the entrance to the reclaimed area. Although the sign has been painted orange to denote no trespassing, it is still legible. Another sign is available if needed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Spring runoff has filled the first cell of the three-celled structure to within one foot of the spillway. The previous year's runoff was approximately one foot higher. Plans to remove or leave the three-celled pond were discussed. The current MRP addresses the removal of the ponds after phase II bond release. Since the ponds are stable and would meet the current post mining land use, (wildlife habitat), it may be in the Company's best interest to submit an amendment to leave them in place. This would require some minor text and map changes.

4.c Hydrologic Balance: Other Sediment Control Measures

The ASCA area below the fan portal appeared to be stable. Vegetation is well established.

9. Protection of Fish, Wildlife and Related Environmental Issues

Deer and elk have been feeding on the vegetation on the embankments and slopes of the sediment pond.

16.a Roads: Construction, Maintenance, Surfacing

The option of reclaiming the portion of the county road that extends from the turn around area to the lower end of the reclaimed area was discussed also. This would tend to eliminate traffic and trespassing on the reclaimed site.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Mike W. Glasson	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070019
Inspection Type:	PARTIAL
Inspection Date:	Friday, April 21, 2006
Start Date/Time:	4/21/2006 9:00:00 AM
End Date/Time:	4/21/2006 12:00:00 PM
Last Inspection:	Friday, March 17, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Clear, 47 Deg. F.

InspectionID Report Number: 930

Accepted by: pgrubaug
5/16/2006

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**
Operator: **ANDALEX RESOURCES INC TOWER DIVISION**
Site: **CENTENNIAL MINE**
Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

6,602.02	Total Permitted
35.27	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☒ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site.

Inspector's Signature: _____

Date

Friday, April 21, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070019
 Inspection Type: PARTIAL
 Inspection Date: Friday, April 21, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site.

2. Signs and Markers

The mine permit ID sign located at the contact point of the public access to the permit area contained the required information. Other signs and markers observed during the inspection met the coal rules.

4.a Hydrologic Balance: Diversions

The culvert outlet and receiving diversion ditch at the base of the Pinnacle Coal storage pad has been cleaned.

4.d Hydrologic Balance: Water Monitoring

Fourth quarter 2005 water monitoring information is in the EDI website and uploaded. Water monitoring is current.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Kit Pappas	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070020
Inspection Type:	PARTIAL
Inspection Date:	Monday, April 17, 2006
Start Date/Time:	4/17/2006 10:00:00 AM
End Date/Time:	4/17/2006 1:00:00 PM
Last Inspection:	Friday, March 24, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Windy/Snow, Temp 38 Deg F

InspectionID Report Number: 926

Accepted by: pgrubaug
4/18/2006

Permittee: **HIDDEN SPLENDOR RESOURCES INC**

Operator: **HIDDEN SPLENDOR RESOURCES INC**

Site: **HORIZON MINE**

Address: **3266 S 125 W, PRICE UT 84501**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

1,577.00	Total Permitted
9.50	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

Inspector's Signature:

Date

Monday, April 17, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070020
 Inspection Type: PARTIAL
 Inspection Date: Monday, April 17, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Permit Condition #1 states that Hidden Splendor Resources will enter their water monitoring information into the electronic database, EDI. This condition is being met.

2. Signs and Markers

The mine ID sign was observed at the point of public access to the mine. The sign contained the name of the mine, permit number, and MSHA number. The sign has been modified to include the address and phone number.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond contains water from recent snow melt.

4.d Hydrologic Balance: Water Monitoring

Fourth quarter 2005 water monitoring is in the EDI website and uploaded. Water monitoring is current.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Dan Guy	
Company	Boyd Rhodes	

Inspection Report

Permit Number:	C0070022
Inspection Type:	COMPLETE
Inspection Date:	Monday, April 24, 2006
Start Date/Time:	4/24/2006 10:10:00 AM
End Date/Time:	4/24/2006 2:15:00 PM
Last Inspection:	Friday, March 31, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Overcast; some rain in AM. Clearing in PM.

InspectionID Report Number: 934

Accepted by: whedberg
5/3/2006

Permittee: **SAVAGE SERVICES CORP**

Operator: **SAVAGE SERVICES CORP**

Site: **SAVAGE COAL TERMINAL**

Address: **6340 S 3000 E STE 600, SALT LAKE CITY UT 84121**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

160.00	Total Permitted
122.28	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☐ Fee
☒ Other

Types of Operations

- ☒ Underground
☒ Surface
☒ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee continues to submit quarterly surface water monitoring information in an electronic form to the Division EDI web site. First quarter monitoring for CV-15W (UPDES outfall for pond 003) will be submitted today.

There are no compliance actions currently pending for the Savage Coal Terminal permit area.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date: _____ Wednesday, April 26, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070022
 Inspection Type: COMPLETE
 Inspection Date: Monday, April 24, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.d Hydrologic Balance: Water Monitoring

The remaining two active water monitoring sites (CV-14-W, and CV-1-W) are required to be sampled during the 2nd and 4th quarters. Thus, no report is due for the first quarter.

7. Coal Mine Waste, Refuse Piles, Impoundments

Mr. Guy completed the 1st quarter refuse pile inspection and certification on March 14, 2006. All slopes were reported as stable. The Permittee was observed to be operating a screening plant in the vicinity of the refuse pile. A front end loader was hauling material in the area. The roads, and the material were both very dry, and volumes of particulates were being thrown into suspension. At the request of the Division to get water applied in the area, the Permittee shut the screening plant down until the water truck could be implemented. The water truck was being filled at the end of today's inspection. Mr. Rhodes indicated he would make a concerted effort to see that the area was thoroughly watered prior to start-up. The Permittee should also develop a process to wet the material being handled to minimize fugitive dust generation.

8. Noncoal Waste

Several sets of Savage work uniforms, a pair of work shoes, a pair of dirty socks, and numerous wire coat hangers were observed lying on the ground adjacent to a rubber garbage can on the west corner of the office building. The items were picked up and disposed of in the can by Mr. Guy and the DOGM inspector. This was discussed with Mr. Rhodes who followed up immediately with the employees. Paper rags and some lunch garbage was observed in the ditch beneath the conveyor #12 construction installation. Mr. Rhodes made note of this. Badlands Fabrication is the contractor on site.

9. Protection of Fish, Wildlife and Related Environmental Issues

The Permittee's SPCC Plan was updated February 21, 2006. The update included the additional lubricant storage associated with the new maintenance shop.

16.a Roads: Construction, Maintenance, Surfacing

It is the permittee's intent to initiate blacktop surfacing of several primary haul roads within the permit area in the near future. This was permitted through the DOGM (AM97C/Task ID #4) in 1997.

16.b Roads: Drainage Controls

The Permittee has reinstalled the drainage ditch around the supports which were constructed for conveyor #12. Conveyor #12 will convey coal from the track loop storage area. It should be noted that contractors hired by the Permittee are in the habit of storing components in ditches; this is a compliance action, which was discussed with Mr. Guy and Mr. Rhodes. Surface drainage diversions must be kept operational at all times. The Permittee agreed to have the items (corrugated metal conveyor canopies) removed. Mr. Rhodes indicated that it is the Permittee's intent to have these items straightened and used if possible.

17. Other Transportation Facilities

Task ID #2463 was submitted to the Division to permit an additional conveyor and stacking tube east of the truck dump. Conveyor 1a will transfer 1250 TPH to the coal storage area located in the center of the northern end of the disturbed area. This will improve dozer/FEL efficiency by reducing push distances. As noted elsewhere, the Permittee is gearing up to increase the volume of coal run through the Terminal to 12 MTPY. An amendment to the Air Quality Approval Order has been submitted to DEQ/DAQ to both increase the throughput and add conveyor 1a. According to Mr. Dan Guy, DAQ has already approved the coal stacking tube, which was once again permitted through the DOGM under Task ID #2463. A conditional approval has been recommended for the Conveyor 1a/stacking tube addition; final approval will be granted upon approval of the amended Air Quality permit by DEQ / DAQ.

20. Air Quality Permit

The Permittee recently submitted an amendment to the current Air Quality Approval Order to increase the throughput from 8 MTPY to 12 MTPY. This amendment will also permit the conveyor 1a addition. As noted above, the stacking tube addition had previously been approved through Air Quality, but was re-permitted through the DOGM in Task ID #2463. The Permittee just completed the Emission Inventory for 2005 for submittal to DEQ / DAQ.

21. Bonding and Insurance

The Permittee provided a new Marsh insurance form which indicates that general liability coverage has been extended until April 1, 2007. The new form states the following; "general liability coverage does not specifically exclude coverage for damages caused by explosives".



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Scott Dimick	Superintendent

Inspection Report

Permit Number:	C0070033
Inspection Type:	PARTIAL
Inspection Date:	Thursday, April 06, 2006
Start Date/Time:	4/6/2006 12:55:00 PM
End Date/Time:	4/6/2006 1:40:00 PM
Last Inspection:	Wednesday, March 15, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Rain and snow flurries during inspection

InspectionID Report Number: 917

Accepted by: whedberg
4/14/2006

Permittee: **ANDALEX RESOURCES INC TOWER DIVISION**
Operator: **ANDALEX RESOURCES INC TOWER DIVISION**
Site: **WILDCAT LOADOUT**
Address: **6750 AIRPORT RD, PO BOX 902 PRICE UT 84501**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

100.00	Total Permitted
63.70	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☒ Loadout
☒ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current on the submittal of quarterly water monitoring data for the Wildcat Loadout permit area; as noted in the March report, the fourth quarter of 2005 monitoring information was submitted to the Division web site in February of 2006. Thus, the Permittee continues to meet the Special Permit Condition included as attachment "A" of the current State permit.

Division Order DO-04 is the only compliance action pending for the Wildcat Loadout permit area.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III
Inspector ID Number: 46

Date: Thursday, April 06, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070033
 Inspection Type: PARTIAL
 Inspection Date: Thursday, April 06, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

All ponds contained water this day.

16.b Roads: Drainage Controls

The culvert designated as C-33 (12 inch CMP on the NE corner of the coal stockpile south of pond "C") was noted by Mr. Dimick as being in need of cleaning. The outlet is approximately half blocked with coal material.

20. Air Quality Permit

Division representatives met with Utah DEQ representatives relative to the MOU between the two agencies on March 29, 2006. It appears that the MOU which is now in place may be developed into two; an agreement will be established between the Division and the Division of Water Quality as well as a separate agreement between the Division and the Division of Air Quality. The development of these two documents appears to be pending. A determination by the Division as to the status of the Division Order relative to the Submittal of Design Drawings and Specifications for the Wildcat Loadout from the Permittee is pending.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Rusty Netz	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070035
Inspection Type:	PARTIAL
Inspection Date:	Thursday, April 06, 2006
Start Date/Time:	4/6/2006 11:00:00 AM
End Date/Time:	4/6/2006 3:00:00 PM
Last Inspection:	Thursday, March 16, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Light Snow, Temp 44 Deg. F.

InspectionID Report Number: 919

Accepted by: pgrubaug
4/10/2006

Permittee: **SUNNYSIDE COGENERATION ASSOCIATES**

Operator: **SUNNYSIDE COGENERATION ASSOCIATES**

Site: **SUNNYSIDE REFUSE & SLURRY**

Address: **PO BOX 159, SUNNYSIDE UT 84539**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

310.00	Total Permitted
202.00	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☐ Loadout
☐ Processing
☒ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

Inspector's Signature: _____

Date: Thursday, April 06, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070035
 Inspection Type: PARTIAL
 Inspection Date: Thursday, April 06, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

2. Signs and Markers

There are no pending compliance actions. The only permit condition currently in place is that the permittee must submit all water monitoring data in an electronic format to the Division's web site. The permittee is complying with this stipulation.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds contain water from recent storm events.

4.d Hydrologic Balance: Water Monitoring

Fourth quarter 2005 water monitoring is in the EDI website and uploaded. Water monitoring is current.

7. Coal Mine Waste, Refuse Piles, Impoundments

A few smokers were noted on the refuse pile during the inspection. The permittee noted the location in order to extinguish the areas. The pile appeared stable with no visible hazards.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Joe Helfrich	Environmental Scientist III
Company	Layne D. Jensen	Environmental Engineer
Company	Dennis Ware	Controller

Inspection Report

Permit Number:	C0070038
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, April 11, 2006
Start Date/Time:	4/11/2006 9:30:00 AM
End Date/Time:	4/11/2006 2:30:00 PM
Last Inspection:	Thursday, March 16, 2006

Inspector: Joe Helfrich, Environmental Scientist III

Weather: cool, partly cloudy, 50

InspectionID Report Number: 922

Accepted by: whedberg
4/14/2006

Permittee: **PLATEAU MINING CORP**

Operator: **PLATEAU MINING CORP**

Site: **WILLOW CREEK MINE**

Address: **PO BOX 30, HELPER UT 84526-0030**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

14,662.49	Total Permitted
154.05	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☐ State
- ☐ County
- ☒ Fee
- ☒ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☒ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The purpose of this site visit was to conduct a partial inspection of the Willow creek reclaimed area. The inspection focused on evaluating the vegetation required to control erosion for reclaimed areas slated for an alternative postmining land use. The College of Eastern Utah has expressed an interest in the buildings and a portion of Plateau Mining Corporation's property to be used as a training facility. The Utah Board of Regents is scheduled to review the proposed purchase agreement between the College of Eastern Utah and Plateau Mining Corporation on April 21st of 2006. Once the agreement is approved, the Company will submit an application to the Division for phase III bond release. Public notification will begin on Thursday, April 11, 2006.

Inspector's Signature: _____

Date: Wednesday, April 12, 2006

Joe Helfrich, Environmental Scientist III

Inspector ID Number: 1

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070038
 Inspection Type: PARTIAL
 Inspection Date: Tuesday, April 11, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Phase 1 bond release of the Schoolhouse Refuse site (45.6 acres) and Phase III bond release of the Price River Water Improvement District (PRWID), 46.2 acres has been reviewed under Task ID #2424. The information was previously reviewed under Task ID #2344. There are 1.2 acres in Barn Canyon that were not disturbed.

2. Signs and Markers

Signs with the required information were posted at the entrances to the reclaimed areas.

12. Backfilling And Grading

Final reclamation efforts are underway at the rail loadout facility. At the time of this inspection, a trackhoe with a pneumatic hammer attachment was observed demolishing the cement pad. Photographs were taken.

13. Revegetation

The slopes behind the shop and warehouse were evaluated for stability and vegetative cover required to control erosion. The area approximately 20' wide x 50' long that had shown some minor soil movement along the surface has remained stable since it was first noted on a previous inspection dated January 26, 2005. Additional seeding is recommended for this area in conjunction with the next precipitation event. The entire area was reclaimed, surface roughened and seeded in 2004. Since that time, the slopes have been exposed to numerous precipitation events and two seasons of snow melt exhibiting very minor sediment deposition that remains at the toe of the slopes. This is due in part to the surface roughening and cover material along the 65% slopes. The slopes have been inspected on the average of once every two months since they have been reclaimed, indicating no signs of weakness, failure, or structural instability. Layne Jensen, professional engineer from the Earthfax Engineering consulting firm, has evaluated the slopes for stability as well. A copy of Mr. Jensen's findings will be included in the Phase III Bond Release application. Estimates of 40% rock, and 18% vegetative cover at this point in time appear to be more than adequate to control erosion. The sediment yield calculations for the reclaimed slopes indicate that the reclaimed areas can meet effluent limitations. However, the permittee has opted to retain the sediment pond for additional sediment control. Photographs were taken.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Vicky S. Miller	Environmental Specialist

Inspection Report

Permit Number:	C0070039
Inspection Type:	COMPLETE
Inspection Date:	Friday, April 21, 2006
Start Date/Time:	4/21/2006 8:43:00 AM
End Date/Time:	4/21/2006 2:40:00 PM
Last Inspection:	Thursday, March 30, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear, cool; 50's F.

InspectionID Report Number: 931

Accepted by: whedberg
4/26/2006

Permittee: **CANYON FUEL COMPANY LLC**
Operator: **CANYON FUEL COMPANY LLC**
Site: **DUGOUT CANYON MINE**
Address: **PO BOX 1029, WELLINGTON UT 84542**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

9,471.00	Total Permitted
57.75	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee continues to submit quarterly surface and ground water monitoring information in an electronic form to the Division EDI web site, thus meeting the Special Permit Condition included in Attachment "A" of the current State permit. The fourth quarter of 2005 monitoring information was submitted on January 4, 2006.

There are no compliance actions currently pending for the Dugout Canyon Mine permit area.

The Permittee initiated a longwall move just prior to today's inspection.

A meeting to discuss degasification wells will be held on April 25, 2006 at the Price BLM. The Permittee has applications in to the DOGM to permit wells G-11 and G-12, and G-13 thru G-17. The Permittee would like to initiate the drilling of wells G-11 and G-12 at the end of May.

Inspector's Signature: _____

Date: Monday, April 24, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070039
 Inspection Type: COMPLETE
 Inspection Date: Friday, April 21, 2006

Inspection Continuation Sheet

Page 2 of 5

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Permittee is preparing an amendment to expand the area available for coal storage in upper Dugout Canyon. Submittal of that amendment is pending. The Permittee has received the fly over data for the Pace Canyon facility; the preparation of "as-built" information is pending.

3. Topsoil

The soil piles located in Pace Canyon are showing signs of sprouting. Fine grass blades were observed on both piles during today's inspection. The Permittee evaluated the amount of storage area remaining for soil storage in the Nine Mile Canyon soil storage facility. The area will be needed to store the soils recovered in order to expand the waste rock storage volume at the Dugout Canyon waste rock facility.

4.a Hydrologic Balance: Diversions

The Permittee has submitted two minor hydrologic design changes for the MRP. The first change is the design of a berm about the secondary topsoil pile at the waste rock facility. This berm must be capable of total containment for precipitation from the 10 year 24 hour event. The second minor change is for a berm about the inlet to undisturbed culvert UC-6, which is located on the north corner of the primary electrical substation (main Mine facilities area).

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee's qualified representative, Ms. Vicky Miller, performed the first quarter of 2006 impoundment inspections for the waste rock impoundment as well as the mine site sediment pond on February 27, 2006 and March 27, 2006 respectively. There were no signs of instability or other hazardous conditions noted for either pond, either during the quarterly inspection, or during today's field inspection. Water fowl have been observed on several occasions on the surface of the waste rock pond. Deer tracks are readily observed in the waste rock pond area. The Permittee's inspection report notes that the Mine site pond sediment level is at the 60% cleanout elevation. That report also states that it is the Permittee's intent to initiate cleaning of this facility as soon as the ice melts off this pond.

4.c Hydrologic Balance: Other Sediment Control Measures

Today's visit to the Pace Canyon fan portal facility was the Permittee's, as well as the Division's first visit since snow melt-off. The construction process for this facility relied heavily on silt fences, and some of these had been pushed over by snow accumulation. Many of these fences can be removed once vegetation has been re-established. The Permittee intends to repair these sediment controls as soon as possible.

4.d Hydrologic Balance: Water Monitoring

The Permittee has completed the first quarter of 2006 surface and ground water monitoring field requirements; the receipt of the analytical data for same is pending. The Permittee submitted the March 2006 discharge monitoring reports for the Dugout Canyon Mine's six UPDES outfalls on April 19, 2006. No exceedances of effluent parameters were noted by the review of these forms. Pace Creek and Dugout Creek were both observed to be flowing this day.

4.e Hydrologic Balance: Effluent Limitations

Outfalls 005 and 006 were noted as having "no flow" from the Pace Canyon fan portal area. The sediment basin did not contain water. All mine water continues to be discharged to Dugout Creek.

7. Coal Mine Waste, Refuse Piles, Impoundments

The Permittee has recently submitted an amendment to the Utah Division of Air Quality to increase the annual production limit for the Mine. The amendment will also incorporate the waste rock disposal facility into the permit area of the Approval Order. This is being done in anticipation of loading the coal which is in storage at the waste rock facility for shipment to the wash plant located at the Savage Coal Terminal, C/007/022. The first quarter of 2006 waste rock pile inspection was not available during today's inspection.

9. Protection of Fish, Wildlife and Related Environmental Issues

The raptor nesting area which was undermined (December 2005) by the longwall panel which has just been completed was observed at a distance. There does not appear to be significant damage to this cliff area. A closer examination by the DOGM and DWR is pending.

12. Backfilling And Grading

The Permittee partially plugged degasification well G-6 prior to the onset of winter; it is anticipated that the remainder of the plug will be installed as soon as snow melt has occurred and soil moisture conditions improve to the point that back filling and grading can begin.

13. Revegetation

As noted above, the establishment of a protective vegetative cover on the Pace Canyon topsoil piles is starting to occur. Fine blades of grass are sprouting on these piles.

14. Subsidence Control

The Permittee submitted the 2005 subsidence report for the Dugout Canyon Mine permit area on March 7, 2006; the review of that report is pending. The Permittee is preparing a response to the midterm permit review deficiencies which were generated relative to subsidence control and subsidence monitoring. A request for an extension has been granted by the Division such that the Permittee can finalize the response to those deficiencies.

16.b Roads: Drainage Controls

The four water bars located inside the disturbed area perimeter of the Pace Canyon fan portal are effectively routing the intercepted road runoff to the outslope adjacent to Pace Creek. Some minor erosion was noted where these flows drop off the edge of the road, but the areas generally appear stable. Some large rocks have rolled from the road berm. All drainage controls in the main facilities area were functioning as designed.

20. Air Quality Permit

See comment under section 7, Refuse Piles. The Permittee recently completed 2005 Emissions Inventory reports for the Utah Division of Air Quality.

21. Bonding and Insurance

The Permittee's general liability insurance coverage remains in effect until July 31, 2006. The general coverage includes coverage for "XCU". XCU is the acronym used by the insurance industry to indicate that coverage including damages incurred from the use of explosives is provided, as required in R645-301-890.100.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

MSHA	Pete Hess	Environmental Scientist III
Company	Gary E. Gray	Resident Agent

Inspection Report

Permit Number:	C0070041
Inspection Type:	COMPLETE
Inspection Date:	Thursday, April 20, 2006
Start Date/Time:	4/20/2006 12:35:00 PM
End Date/Time:	4/20/2006 3:10:00 PM
Last Inspection:	Wednesday, March 22, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, warm; 50's F.

InspectionID Report Number: 933

Accepted by: whedberg
5/4/2006

Permittee: **WEST RIDGE RESOURCES**
Operator: **WEST RIDGE RESOURCES**
Site: **WEST RIDGE MINE**
Address: **PO BOX 1077, PRICE UT 84501**
County: **CARBON**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

6,114.89	Total Permitted
29.06	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee continues to meet the Special Permit Conditions included in Attachment "A" of the current State permit, which is relative to the submittal of all quarterly surface and ground water monitoring information in an electronic form to the Division EDI web site. Ms. Karla Knoop, hydrologist with JBR Environmental, submitted the fourth quarter 2005 information to Mr. Gary Gray on February 2, 2006 for pipeline insertion and uploading.

The Division has recently granted a conditional approval for the Permittee's reclamation plan for the portal highwall area (DO-00A); a request for clean copies of the approved plan is pending. The Permittee must comply with the requirements of this approved plan as one of the Special Conditions of the current DOGM permit (Attachment A). Two other permit conditions exist; one is relative to required surveys for Mexican spotted owls in lease areas having 40 percent or greater slopes. The fourth Special Permit Condition is relative to the experimental practice of storing topsoil in place, beneath the fill which was used to construct the Mine pads. Annual evaluations of this practice by the DOGM continue to be conducted.

Other than DO-00A, there are no other compliance actions pending within the West Ridge Mine permit area.

Inspector's Signature: _____

Date: Tuesday, April 25, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070041
 Inspection Type: COMPLETE
 Inspection Date: Thursday, April 20, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The Permittee conducted the first quarter of 2006 impoundment inspection for the dual cell sediment pond on March 27, 2006. Mr. Gray is the Permittee's qualified person. The annual inspection and certification for the ponds were completed on December 15, 2005 by Mr. Gray and Mr. John Lewis, P.E. There were no signs of structural instability or other hazards noted during that inspection. No hazards were noted during today's inspection. Mr. Lewis completed the reporting requirements and P.E. certification for this inspection on March 7, 2006.

4.c Hydrologic Balance: Other Sediment Control Measures

The Permittee has removed the silt fences which were located in the "C" Canyon channel, down stream of the office building pad. The Permittee has installed new straw bales at the locations needing them in undisturbed drainage ditch UD-15. This involved the majority of the established controls in place along the ditch which parallels the County road. The pump house ASCA area located along the "C" Canyon road below the Mine site disturbed area did not reveal any compliance issues. Blast furnace slag is used as the sediment control on this pad.

4.d Hydrologic Balance: Water Monitoring

The "C" Canyon channel was flowing this day.

4.e Hydrologic Balance: Effluent Limitations

West Ridge Mine has had difficulty complying with the 1-ton per day loading limitation for approximately a year. During the summer of 2005, they applied for a modification to the current UPDES permit to include provisions for the purchase of salt credits (salinity offset projects) (Colorado River Salinity Offset Program) through the Utah DEQ / Division of Water Quality. The new UPDES permit is currently within the public comment period (comment period will end Friday, 4/28). At that point DWQ intends to issue a new UPDES permit for the West Ridge operation, which will require the Permittee to offset the TDS over 1 ton/day.

8. Noncoal Waste

A few minor noncoal waste items were observed along the County road below the office pad. Mr. Gray picked up most of the items during today's inspection.

14. Subsidence Control

The 2005 annual subsidence monitoring information is included with the 2005 Annual Report.

22. Other

Weekly monitoring of the Grassy Trail Dam continues. Based upon the Permittee's report of April 19, 2006, the #7 panel longwall face is now 1025 feet outby the crest of the Dam. East Carbon City has been releasing water through the outlet pipe at full volume, based upon the recommendation of RB & G Engineering. The reservoir elevation was approximately 23 inches below the glory hole spillway on April 14, 2006. RB & G's Seismic Summary for April 14, 2006 noted that no cracks or signs of movement have been noted on the Dam or the abutments above the Dam. Mr. John Lewis notified the DOGM this day that the Dam is actually being monitored on a daily basis by West Ridge personnel.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Rusty Netz	Environmental Coordinator
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0070042
Inspection Type:	PARTIAL
Inspection Date:	Thursday, April 06, 2006
Start Date/Time:	4/6/2006 9:00:00 AM
End Date/Time:	4/6/2006 11:00:00 AM
Last Inspection:	Thursday, March 16, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Light Snow, Temp 44 Deg. F.

InspectionID Report Number: 918

Accepted by: pgrubaug
4/10/2006

Permittee: **SUNNYSIDE COGENERATION ASSOCIATES**

Operator: **SUNNYSIDE COGENERATION ASSOCIATES**

Site: **STAR POINT REFUSE**

Address: **PO BOX 159, SUNNYSIDE UT 84539**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

152.81	Total Permitted
88.78	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☐ Underground
☐ Surface
☐ Loadout
☐ Processing
☒ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Pending actions: No pending actions.

Inspector's Signature: _____

Date: Thursday, April 06, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0070042
 Inspection Type: PARTIAL
 Inspection Date: Thursday, April 06, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Pending actions: No pending actions.

2. Signs and Markers

The mine ID signs are located at the contact points of the public road to the permit area and contains all of the appropriate information. All other signs and markers observed during the inspection were in compliance with the approved MRP.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment ponds contain water in them from the recent storm events.

7. Coal Mine Waste, Refuse Piles, Impoundments

The top of the refuse pile is being mined in incremental lifts. The pile appeared stable with no visible hazards.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Russell Hardy
OGM	Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0150007
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, April 18, 2006
Start Date/Time:	4/18/2006 1:00:00 PM
End Date/Time:	4/18/2006 3:00:00 PM
Last Inspection:	Tuesday, March 14, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, Windy, 40's

InspectionID Report Number: 928

Accepted by: pgrubaug
5/2/2006

Permittee: **CONSOLIDATION COAL CO**

Operator: **CONSOLIDATION COAL CO MID-CONTINENT REGION**

Site: **HIDDEN VALLEY MINE**

Address: **PO BOX 566, SESSER IL 62884**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

960.00	Total Permitted
6.70	Total Disturbed
6.70	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☐ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit last renewed 1/29/2002. The permit area is 960 acres within T. 23 S. R. 6 E. W1/2 Sec 17 and all of Sec. 18. The Permittee's address is listed on the Reclamation Agreement [12755 Olive Blvd. St Louis Mo] has changed. The corporate headquarter's address should read [1800 Washington Rd., Pittsburgh PA]. The Engineering Office for the western operations is in Sesser, IL. Consolidation Coal Co. Board of Directors has authorized an exploratory engineering study at the Hidden Valley reclaimed site. Both portals will be reopened. The exploration will create a stockpile of topsoil, fill, and coal. Plans for site construction and configuration are simultaneously being discussed.

Inspector's Signature: _____

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date

Thursday, April 20, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150007
 Inspection Type: PARTIAL
 Inspection Date: Tuesday, April 18, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The permittee has submitted an Major Exploration Permit to the Division. The Division has scheduled a completeness review of this document by the end of April.

3. Topsoil

The area is covered with topsoil and reclaimed. This material will be salvaged during the major exploration.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked and found no signs of wind or water erosion.

4.d Hydrologic Balance: Water Monitoring

The permittee was in the process of entering water data for first quarter into the electronic data system.

8. Noncoal Waste

The mine site was clear of trash.

10. Slides and Other Damage

No slides have taken place since the last inspection.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Russell Hardy
OGM	Steve Demczak Environmental Scientist III

Inspection Report

Permit Number:	C0150015
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, April 18, 2006
Start Date/Time:	4/18/2006 10:00:00 AM
End Date/Time:	4/18/2006 3:00:00 PM
Last Inspection:	Tuesday, March 07, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, windy, Temp 40's

InspectionID Report Number: 927

Accepted by: pgrubaug
5/2/2006

Permittee: **CONSOLIDATION COAL CO**
Operator: **CONSOLIDATION COAL CO SESSER OPERATIONS**
Site: **EMERY DEEP MINE**
Address: **PO BOX 566, SESSER IL 62884**
County: **EMERY**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

5,408.00	Total Permitted
289.60	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Conditions: Emery Deep has one permit condition. The permittee must submit water quality data in an electronic format through the Electronic Data Input web site.

No violations pending.

Inspector's Signature: _____

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date

Thursday, April 20, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150015
 Inspection Type: PARTIAL
 Inspection Date: Tuesday, April 18, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

It would be advisable to check if the oil storage station at 4th east Portals is on the surface facilities map.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked and were functioning as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond at the 4th East Portals was inspected. I did not see any hazardous conditions during the inspection. The pond did contain water but was not discharging.

4.d Hydrologic Balance: Water Monitoring

The permittee was in the process of entering the first quarter water information into the electronic data system.

7. Coal Mine Waste, Refuse Piles, Impoundments

I inspected the refuse pile and found no hazardous conditions.

8. Noncoal Waste

The area was generally clear of non-coal waste material.

18. Support Facilities, Utility Installations

No new construction since the last inspection.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dennis Oakley	Environmental Engineer
Other	Dale Harber	Forest Geologist
Other	Katherine Foster	Hydrologist
Federal	Tom Lloyd	Ferron-Price District Geologist
OGM	Pete Hess	Environmental Scientist III

Inspection Report

Permit Number:	C0150017
Inspection Type:	COMPLETE
Inspection Date:	Thursday, April 13, 2006
Start Date/Time:	4/13/2006 9:00:00 AM
End Date/Time:	4/13/2006 1:00:00 PM
Last Inspection:	Monday, March 06, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, warm; 50's-60's F.

InspectionID Report Number: 925

Accepted by: whedberg
5/3/2006

Permittee: **PACIFICORP**

Operator: **ENERGY WEST MINING CO**

Site: **DES BEE DOVE MINE**

Address: **PO BOX 310, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **RECLAIMED**

Current Acreages

154.86	Total Permitted
23.88	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Des-Bee-Dove Mine disturbed areas have been reclaimed, with final reclamation activities being completed at the end of January, 2006. The Permittee has submitted a Phase 1 bond release application for the Mine site area. The Division has reviewed same, generating several deficiencies which are currently being addressed.

The Division intends to conduct a pre-bond release inspection sometime during May.

The first part of today's inspection involved a meeting and inspection of the area which is being proposed for a gas well by XTO. Representatives of the USFS, Talon Resources, XTO, the Emery County Cattlemen's Association and the DOGM were present. The proposed well (17-7-25-14) is approximately 325 feet NW of the end of the pavement at the Des-Bee-Dove turn around area.

Inspector's Signature: _____

Date: Thursday, April 13, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
 telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150017
 Inspection Type: COMPLETE
 Inspection Date: Thursday, April 13, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

3. Topsoil

Topsoil recovery and storage was extensively discussed by today's group looking at the area which will be impacted by the development of XTO well #17-7-25-14. EW representatives indicated that the in-place soil depths were in the range of twelve to fifteen inches. At present, the access to the proposed well is heavily gouged, and seeded. Some growth is evident. Many of the planted evergreen seedlings appear to have expired. The FS stated that future top soil storage should implement furrowed storage techniques having pile depths not exceeding 3-4 feet. This is based upon recommendations documented in "The Practical Guide to Reclamation in Utah". It is Mr. Allen Childs' (Talon Resources) intent to permit the topsoil storage area with these recommendations.

4.a Hydrologic Balance: Diversions

Ms. Katherine Foster, Hydrologist with the USFS, recommended that the proposed well location be moved further away from the small drainage located adjacent to the proposed well location. Talon Resources agreed to do this.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The inspection of the reclaimed sediment pond area did not reveal any material slumps.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Dennis Oakley	Environmental Engineer
OGM	Steve Demczak	Environmental Scientist III

Inspection Report

Permit Number:	C0150018
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, April 19, 2006
Start Date/Time:	4/19/2006 10:00:00 AM
End Date/Time:	4/19/2006 3:00:00 PM
Last Inspection:	Thursday, March 16, 2006

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 50's

InspectionID Report Number: 929

Accepted by: pgrubaug
5/2/2006

Permittee: **PACIFICORP**

Operator: **ENERGY WEST MINING CO**

Site: **DEER CREEK MINE**

Address: **PO BOX 310, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

22,213.70	Total Permitted
84.34	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Conditions:

- 1) During entry development if sustained quantities of groundwater are encountered which are greater than 5 gpm from a single source in an individual entry, and which continue after operational activities progress beyond the area of groundwater production, PacifiCorp must monitor these flows and notify the Division within 24 hours prior to initiation of monitoring.
 - 2) Vehicle access will not be allowed in Rilda Canyon from December 1 to April 15 for construction and/or maintenance of the Rilda Canyon Surface Facilities without prior written approval from the Division. This condition is for normal working circumstances and does not apply in an emergency situation.
 - 3) PacifiCorp will submit water quality data for the Deer Creek Mine in an electronic format through the EDI web site.
- The permittee is meeting these conditions at this time.
-Permitting Actions - New Surface Facilities in Rilda Canyon - Mining Plan Approval was issued on December 21, 2005, the state permit was issued on December 1, 2005.
-Violations: None

Inspector's Signature: _____

Steve Demczak, Environmental Scientist III

Inspector ID Number: 39

Date: Thursday, April 20, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150018
 Inspection Type: PARTIAL
 Inspection Date: Wednesday, April 19, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.a Hydrologic Balance: Diversions

The diversions throughout the property were spot-checked and complied with performance standards. The permittee will need to clean the diversion ditch to the mine fan above the bathhouse. Sediment has started to build-up within the diversion. The culvert along the road to the explosive magazine will need to be cleaned out in the near future. The drop drain in front of the warehouse will also need to be construction work before summer (June).

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The mine site sediment pond was inspected and was discharging during the inspection. No hazardous conditions were noticed.

8. Noncoal Waste

The fencing is no longer in place to stop non-coal waste material from leaving the trash containment area. This could cause a violation in the future if not fixed. This has been a problem area in the past. If trash was around the storage area during the inspection this would be a violation.

16.b Roads: Drainage Controls

The road side diversion to the fan will need to be cleaned out and the diversion re-shaped in the near future.

18. Support Facilities, Utility Installations

No new construction since the last inspection.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Mark Reynolds	Resident Agent

Inspection Report

Permit Number:	C0150025
Inspection Type:	PARTIAL
Inspection Date:	Friday, April 07, 2006
Start Date/Time:	4/7/2006 11:00:00 AM
End Date/Time:	4/7/2006 1:00:00 PM
Last Inspection:	Tuesday, March 14, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, clear, 40's F.

InspectionID Report Number: 920

Accepted by: whedberg
5/3/2006

Permittee: **CO-OP MINING CO**

Operator: **CO-OP MINING CO**

Site: **BEAR CANYON MINE**

Address: **PO BOX 1245, HUNTINGTON UT 84528**

County: **EMERY**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

4,416.18	Total Permitted
40.46	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☒ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is up to date for the submittal of quarterly water monitoring data for the Bear canyon permit area, and thus continues to meet the Special Permit Condition included in Attachment "A" of the current State permit.

Prior to today's inspection there were no compliance actions pending for the Bear Canyon Mines permit area.

Two violations were identified during today's inspection; both are relative to surface drainage controls along the #3 Mine access road.

Inspector's Signature: _____

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Tuesday, April 11, 2006

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150025
 Inspection Type: PARTIAL
 Inspection Date: Friday, April 07, 2006

Inspection Continuation Sheet

Page 2 of 4

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.a Hydrologic Balance: Diversions

N06-46-2-2, 2 of 2 was issued to the Permittee for the following reasons; the inlet to culvert C-25U was blocked with ice and frozen snow. Ditch D-25U had been allowed to erode the bank adjacent to catch basin #2, which allowed ditch flow to report to the sediment control basin. Catch basin #2 is not permitted to treat this additional ditch flow. Catch basin #2 is designed to treat runoff from ASCA "W", and from the drip pans beneath the bottom belts above and below the coal silo on the #3 Mine road. As a result of this additional inflow, the basin could not treat the water volume. Water in the basin appeared very high in suspended solids. The basin discharges back onto the #3 Mine road in this area. Ditch D-25U does not exist here, although it is depicted on Plate 7-1G in the MRP.

4.c Hydrologic Balance: Other Sediment Control Measures

The Permittee has stock piled snow volumes at road switchbacks, wide areas in the Canyon, and other areas where snow storage volume could be obtained. The Division has repeatedly asked the Permittee to permit snow storage areas which would include runoff treatment methods (ASCA's) for the melting snow volumes. Although the Permittee did submit an amendment previously, that ASCA submittal was retracted due to inadequate information and other engineering department needs. Hence, a new submittal with adequate information to permit snow storage areas along the #3 Mine access road has never been received. The Permittee used the large area associated with the first switchback above the coal storage silo along the #3 Mine access road as a snow storage area. As observed this day, snow melt water was reporting from this snow pile to the center of the road down gradient of the pile. Melt water was not reporting to ditches D-29U, or D-30U. The pad area immediately adjacent to the snow pile toe perimeter was rutted, impounding snow melt water such that it could not report to ditch D-30U, the silt fence providing treatment, thence off the disturbed area perimeter.

13. Revegetation

As noted in the March inspection report, the Permittee has backfilled the Tank seam #2 Mine access road back to the now out of service electrical substation. Additional roughening is needed in the last sixty feet of backfill. This material is very rocky, and extreme roughening may not be possible. The Permittee intends to order erosion control matting and seed the area in the near future.

14. Subsidence Control

The Permittee has submitted an amendment to the DOGM to add an additional 7,500 acres to the Bear Canyon permit area. A meeting was held with the Permittee on April 10, 2006 relative to the list of deficiencies which the DOGM had returned to the Permittee on February 1, 2006. Although not listed as a deficiency, the Permittee was told on 4/10 that the requirements of R645-301-525.300, and 525.400 must be modified to reflect longwall secondary extraction methods. The current MRP only addresses secondary extraction and monitoring for pillar extraction via continuous mining methods.

16.b Roads: Drainage Controls

Culvert C-25U, as shown on Plate 7-1G, and is located along the #3 Mine access road switchback above the #3 Mine conveyor coal silo, was observed to have its inlet completely blocked with ice and frozen snow. Mr. Reynolds attempted to locate the culvert inlet with a spade shovel but was unable to clear the material. Ditch D-25U, which starts adjacent to the #3 Mine conveyor coal silo (first switchback, #3 Mine access road) was observed to be short circuiting, allowing its flow volume to report to Catch Basin #2. Catch Basin #2 is designed to treat runoff reporting to it from BTCA "W", as well as conveyor belt pan wash down water from the belts located immediately above and below the coal storage silo. As extra flow from D-25U was reporting to Catch Basin #2, the basin could not effectively treat the runoff reporting to it. Catch Basin #2 was observed to be discharging water back into ditch D-25U. This is the approved design; however, if this basin is functioning as it should, this treated water should be reported to the right fork of Bear Creek, and not back into a road ditch. Mr. Reynolds indicated the FS would have an issue with this. Further investigation is needed here. N06-46-2-2, 2 of 2 was written to correct the blocked inlet of C-25U, and repair ditch D-25U / Catch Basin #2 to function as designed.

17. Other Transportation Facilities

The Permittee has submitted an application to the DOGM to modify the truck loading facility such that two lane loading will be possible. Task ID #2469 is pending review.

20. Air Quality Permit

It will be necessary for the Permittee to amend the current Air Quality Approval Order through DEQ/DAQ in order to increase the loading capability of the tipple to dual lane loading (Task ID #2469).



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Gary E. Gray	Resident Agent
OGM	Karl Houskeeper	Environmental Scientist III

Inspection Report

Permit Number:	C0150032
Inspection Type:	PARTIAL
Inspection Date:	Wednesday, April 05, 2006
Start Date/Time:	4/5/2006 9:00:00 AM
End Date/Time:	4/5/2006 11:00:00 AM
Last Inspection:	Wednesday, March 08, 2006

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: Raining, Temp 44 Deg. F.

InspectionID Report Number: 916

Accepted by: pgrubaug
4/10/2006

Permittee: **GENWAL RESOURCES INC**
Operator: **GENWAL RESOURCES INC**
Site: **CRANDALL CANYON MINE**
Address: **PO BOX 1077, PRICE UT 84501**
County: **EMERY**
Permit Type: **PERMANENT COAL PROGRAM**
Permit Status: **ACTIVE**

Current Acreages

6,235.80	Total Permitted
10.70	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☐ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Pending Amendments: There are no pending permit amendments.

A midterm review of the Crandall Canyon Mine Permit C/015/0032 is currently in progress.

Inspector's Signature: _____

Date: Wednesday, April 05, 2006

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0150032
 Inspection Type: PARTIAL
 Inspection Date: Wednesday, April 05, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

Pending Amendments: There are no pending permit amendments.

A midterm review of the Crandall Canyon Mine Permit C/015/0032 is currently in progress.

2. Signs and Markers

The Mine ID sign is posted at the entrance to the permit area from the forest service road. The sign contains the name, permit ID #, address, and phone number of the operator. All other signs and markers observed during the inspection met the coal rules.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The pond needs to be cleaned. The operator is accepting bids from contractors to implement the pond cleaning in the spring of 2006.

4.d Hydrologic Balance: Water Monitoring

Fourth quarter 2005 water monitoring is in the EDI website and has been uploaded. Water monitoring is current.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

OGM	Pete Hess	Environmental Scientist III
Company	Mike Davis	

Inspection Report

Permit Number:	C0410002
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, April 11, 2006
Start Date/Time:	4/11/2006 9:15:00 AM
End Date/Time:	4/11/2006 11:10:00 AM
Last Inspection:	Tuesday, March 07, 2006

Inspector: Pete Hess, Environmental Scientist III

Weather: Sunny, cool; 40's F.

InspectionID Report Number: 921

Accepted by: whedberg
4/14/2006

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **SUFCO MINE**

Address: **397 S 800 W, SALINA UT 84654**

County: **SEVIER**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

26,766.95	Total Permitted
27.36	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
☒ State
☐ County
☐ Fee
☐ Other

Types of Operations

- ☒ Underground
☐ Surface
☐ Loadout
☐ Processing
☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Permittee is current relative to the submittal of quarterly surface and ground water monitoring for the SUFCO Mine permit area. All submittals are made electronically to the Division web site. Thus, the Permittee continues to meet the Special Permit Condition included in Attachment "A" of the current State permit.

There are no compliance actions currently pending for the SUFCO Mine permit area.

Inspector's Signature: _____

Date: Wednesday, April 12, 2006

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

Permit Number: C0410002
 Inspection Type: PARTIAL
 Inspection Date: Tuesday, April 11, 2006

Inspection Continuation Sheet

Page 2 of 3

REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

4.d Hydrologic Balance: Water Monitoring

The flow in Quitchupah Creek where it crosses beneath the Utah Route 10 bridge crossing was observed this day. The water appeared to be very turbid. No color was observed which could be attributed to the presence of coal fines.

7. Coal Mine Waste, Refuse Piles, Impoundments

The permit area received a small snow accumulation just prior to today's inspection. The waste rock pile was covered; there was no evidence of any hot spots in the current active lift. All end-dumped piles were leveled and compacted. There were no compliance issues noted. Both the waste rock sediment pond and the decant pond contained snow melt water. Two water fowl (Mallards ?) were observed on the surface of the waste rock sediment pond.

18. Support Facilities, Utility Installations

The spring collection field, pump house, and leach field facility were inspected this day. A silt fence, located on the east side of the pump house, was noted as needing minor maintenance. All disturbed area markers are in place, as are permittee identification signs. To date, the Permittee has not been able to relocate the electrical transformer which will provide power to the water chlorinator located on the hillside above the main administration building.

20. Air Quality Permit

The Permittee submitted a notice of intent to the Executive Secretary of the Utah Air Quality Board to increase the annual production from the currently approved 8 MTPY to 10 MTPY at the SUFCO operation on April 12, 2006. The application will also permit the replacement of two crushers at the processing facility. A new Approval Order, pending a 30-day comment period, will be issued by DAQ.

22. Other

The OSMRE/WR will participate with the Division (Pines/Wildcat area of the SUFCO permit) in an Evaluation Topic relative to archeological resources on May 10, 2006. Ms. Tonya Blackburn and Mr. Foster Kirby will represent the OSM.

"Failure to Maintain Diversions/Sediment Control Measures"

EVENT VIOLATIONS INSPECTORS STATEMENT

Company/Mine CO-OP Mining Company
Permit # C/015/025

NOV/00 # 06-46-2-2
Violation # 2 of 2

A. SERIOUSNESS

1. What type of event is applicable to the regulation cited? Refer to the DOGM reference list of events below and remember that the event is NOT the same as the violation. Mark and explain each event.

- () a. Activity outside the approved permit area.
- () b. Injury to the public (public safety).
- () c. Damage to property.
- () d. Conducting activities without appropriate approvals.
- () e. Environmental harm.
- ☒ f. Water pollution.
- () g. Loss of reclamation/revegetation potential.
- () h. Reduced establishment, diverse and effective vegetative cover.
- () i. No event occurred as a result of the violation.
- ☒ j. Other. Failure to Maintain Approved Surface Drainage Design

Explanation:

2. Has the event occurred? Yes ☒ No ☐

☒ Yes: Describe it.

☐ No: What would cause it to occur and what is the probability of the event(s) occurring? (None, Unlikely, Likely).

Explanation: The inlet to culvert C-25U was blocked with ice & frozen, compacted snow. Ditch D-25U was short circuiting, allowing its flow volume to report to Catch Basin # 2, which is not designed

3. Did any damage occur as a result of the violation?

☐ No.

☐ Yes: Describe the duration and extent of the damage or impact. How much damage may have occurred if the violation had not been discovered by a DOGM inspector? Describe this potential damage and whether or not it would extend off the disturbed and/or permit area.

Explanation: 

to treat this additional volume. As a result Basin #2, was discharging untreated ~~the~~ water. This water reported back onto the #3 Mine road.

B. DEGREE OF FAULT (Check the statements which apply to the violation and discuss.)

- () Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation:

- () Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care.

Explanation:

- () If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation:

- () Was the operator in violation of a specific permit condition?

Explanation:



Has DOGM or OSM cited the violation in the past? If so, give the dates and the type of warning or enforcement action taken.

Explanation:

- 1) N04-46-2-2^{1 of 2}, Failure to Maintain Diversions, 6/29/2004
- 2) N03-46-2-2, 2 of 2, " " " " , 7/23/2003
- 3) N04-46-1-1, Failure to Maintain Diversions, 3/23/2004

C. GOOD FAITH

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give dates) and describe the measures the operator took to comply as rapidly as possible.

The permittee notified by Division on 4/14/2006 at 11:45 AM that ditch D-25U and Catch Basin #2, as well as culvert inlet C-25U had been repaired to function as

2. Explain whether or not the operator had the necessary resources on site to achieve designed compliance. The operator had adequate resources on hand to make the needed repairs.

3. Was the submission of plans prior to physical activity required by this NOV/CO?
Yes ☐ No ☒ If yes, explain.

Peter Hess
Authorized Representative

Peter Hess
Signature

Date

Checked above diversions and sediment control measures on 4/17/2006. Both culvert C-25U and ditch D-25U had been repaired to function as designed. Catch Basin #2 had been repaired to allow flow in ditch D-25U to bypass the basin. NO6-46-2-2, 2 of 2 is terminated.



NO. N 06-39-2-1

To the following Permittee or Operator:

Name Canyon Fuel Co LLC
Mine Skylark Mine ☐ Surface ☒ Underground ☐ Other
County Carbon State Utah Telephone 435-448-2636
Mailing Address HC 35 Box 380 Helper, Utah 84526
State Permit No. C/002/005
Ownership Category ☐ State ☒ Federal ☐ Fee ☐ Mixed
Date of inspection 4/25/06, 19____
Time of inspection 11:00 ☒ a.m. ☐ p.m. to 1:00 ☐ a.m. ☒ p.m.
Operator Name (other than Permittee) _____
Mailing Address _____

Under authority of the Utah Coal Mining and Reclamation Act, Section 40-10-1 et seq., **Utah Code Annotated**, 1953, the undersigned authorized representative of the Division of Oil, Gas & Mining has conducted an inspection of above mine on above date and has found violation(s) of the act, regulations or required permit condition(s) listed in attachment(s). This notice constitutes a separate Notice of Violation for each violation listed.

You must abate each of these violations within the designated abatement time. You are responsible for doing all work in a safe and workmanlike manner.

The undersigned representative finds that **cessation of mining is** ☐ **is not** ☐ expressly or in practical effect required by this notice. For this purpose, "mining" means extracting coal from the earth or a waste pile, and transporting it within or from the mine site.

This notice shall remain in effect until it expires as provided on reverse side of this form, or is modified, terminated or vacated by written notice of an authorized representative of the director of the Division of Oil, Gas & Mining. Time for abatement may be extended by authorized representative for good cause, if a request is made within a reasonable time before the end of abatement period.

Date of service/mailling 5/1/06

Time of service/mailling 11:30 ☒ a.m. ☐ p.m.

Chris Hansen

Permittee/Operator representative

Chris Hansen
Signature

Environmental Coordinator
Title

Stephen J Demczak
Division of Oil, Gas & Mining representative

Stephen J Demczak
Signature

Reclamation Specialist
Title

#39
Identification Number

SEE REVERSE SIDE

WHITE-DOGM YELLOW-OPERATOR PINK-OSM GOLDENROD-NOV FILE

notice of violation



NOTICE OF VIOLATION NO. N 06-39-2-1

Violation No. 1 of 1

Nature of violation

The permittee failed to submit within 90 days all required water quality information for 2nd, 3rd and 4th Quarters of 2005 by using the Division's web site. The following water monitoring sites have incomplete submittal of information. (See Attachment).

Provisions of act, regulations or permit violated

R645-300.143 Failed to complete the requirements of permit condition #1,

R645-301.731.212 Ground Water

R645-301.731.223 Surface Water

Portion of operation to which notice applies

See Attachment for portion of operation

Remedial action required (including any interim steps)

Submit information, if possible. If water information is not available submit letter stating water information is not available.

Abatement time (including interim steps)

May 5, 2005

Parameters missing from the Skyline Mine water monitoring data (for second quarter, 2005) as of the end of business on 4/14/06.

See MRP pages 2-36, incorporated Dec. 2, 2005; 2-36a, and 2-36b incorporated August 9, 2005 (superseded August 29, 2005); pages 2-37, and 2-37a incorporated January 6, 2005; and page 2-39-aa incorporated April 24, 2001 for protocols and requirements.

3-290 dissolved iron dissolved manganese	Protocol A 1,2 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes both dissolved iron and dissolved manganese as laboratory parameters for Apr.-Jun. sampling
S10-1 dissolved iron dissolved manganese	Protocol A 1,2
S12-1 dissolved iron dissolved manganese	Protocol A 1,2
S13-2 dissolved iron dissolved manganese	Protocol A 1,2
S13-7 dissolved iron dissolved manganese	Protocol A 1,2
S14-4 dissolved iron dissolved manganese	Protocol A 1,2
S17-2 dissolved iron dissolved manganese	Protocol A 1,2
S22-11 dissolved iron dissolved manganese	Protocol A 1,2
S22-5 dissolved iron dissolved manganese	Protocol A 1,2

WQ4-12 dissolved iron dissolved manganese	Protocol A 1,2
CS-16 dissolved iron dissolved manganese	Protocol A 1,2
CS-17 dissolved iron dissolved manganese	Protocol A 1,2
CS-18 dissolved iron dissolved manganese	Protocol A 1,2
CS-19 dissolved iron dissolved manganese	Protocol A 1,2
CS-20 dissolved iron dissolved manganese	Protocol A 1,2
CS-7 dissolved iron dissolved manganese	Protocol A 1,2
CS-8 dissolved iron dissolved manganese	Protocol A 1,2
UP&L-10 dissolved iron dissolved manganese	Protocol A 1,2
CS-21 dissolved iron dissolved manganese	Protocol A 1,2

VC-6 dissolved iron dissolved manganese	Protocol A' 1, 2, 3, 6, 7, 9 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes both dissolved iron and dissolved manganese as laboratory parameters for Apr.-Jun. sampling
CS-1 dissolved iron dissolved manganese	Protocol A 1, 2, 6, 7 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes both dissolved iron and dissolved manganese as laboratory parameters for Apr.-Jun. sampling
CS-11 dissolved iron dissolved manganese	Protocol A 1, 2, 6, 7
CS-3 dissolved iron dissolved manganese	Protocol A 1, 2, 6, 7
CS-4 dissolved iron dissolved manganese	Protocol A 1, 2, 6, 7
CS-9 dissolved iron dissolved manganese nitrate	Protocol A 1, 2, 6, 7
F-10 dissolved iron dissolved manganese	Protocol A 1, 2, and C 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes both dissolved iron and dissolved manganese as laboratory parameters for Apr.-Jun. sampling
92-91-03 lab specific conductivity	Protocol listed in Table 2.3.7-5 specific conductivity required as a lab measurement in addition to the field measurement

UT0023540-002

UPDES permit calls for weekly monitoring, still missing 1st and 3rd week of April. If the entire month were "no flow," then one sample stating that it was no flow, with 1 month as the flow period would suffice but the site flowed the last week of March and during the fourth week of April and the other 'no flow' samples do not indicate that they include the first or 3rd week.

Parameters missing from the Skyline Mine water monitoring data (for third quarter, 2005) as of the end of business on 4/14/06.

See MRP pages 2-36, incorporated Dec. 2, 2005; 2-36a, and 2-36b incorporated August 29, 2005; pages 2-37, and 2-37a incorporated January 6, 2005; and page 2-39-aa incorporated April 24, 2001 for protocols and requirements.

S10-1 dissolved oxygen turbidity	Protocol A 1,2 2 requires "water quality field and operational laboratory measurements" Table 2.3.7-2A incorporated Jan. 6, 2005 includes dissolved oxygen and turbidity as field parameters for Aug.-Sep. sampling
S13-7 dissolved oxygen turbidity	Protocol A 1,2
WQ1-39 dissolved oxygen turbidity	Protocol A 1,2
WQ3-26 dissolved oxygen	Protocol A 1,2
WQ3-41 dissolved oxygen turbidity	Protocol A 1,2
WQ3-43 dissolved oxygen turbidity	Protocol A 1,2
WQ3-6 dissolved oxygen turbidity	Protocol A 1,2
WQ4-12 dissolved oxygen	Protocol A 1,2
S17-2 dissolved oxygen	Protocol A 1,2

S36-12
dissolved oxygen
turbidity

Protocol A 12

S15-3
dissolved oxygen
turbidity

Protocol A 12, 13 (13 Spring and Fall)

12 requires "Field parameters only"

Table 2.3.7-2A incorporated Jan. 6, 2005 includes turbidity
and dissolved oxygen as required field parameters for
Aug.-Sep. sampling

Parameters missing from the Skyline Mine water monitoring data (for fourth quarter, 2005) as of the end of business on 4/14/06.

See MRP pages 2-36, incorporated Dec. 2, 2005; 2-36a, and 2-36b incorporated August 29, 2005; pages 2-37, and 2-37a incorporated January 6, 2005; and page 2-39-aa incorporated April 24, 2001 for protocols and requirements.

CS-4 dissolved iron dissolved manganese	Protocol A 1, 2, 6, 7 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes both dissolved iron and dissolved manganese as laboratory parameters for Oct.-Nov. sampling
CS-3 dissolved manganese	Protocol A 1, 2, 6, 7
CS-9 dissolved manganese	Protocol A 1, 2, 6, 7
CS-11 dissolved manganese	Protocol A 1, 2, 6, 7
CS-7 turbidity	Protocol A 12 12 requires "Field parameters only" Table 2.3.7-2 incorporated Jan. 6, 2005 includes turbidity as a required field parameter for Oct.-Nov. sampling
CS-8 turbidity	Protocol A 12
S15-3 turbidity	Protocol A 12, G 13
S24-12 turbidity	Protocol A 12
S26-13 turbidity	Protocol A 12
S34-12 turbidity	Protocol A 12
S35-8 turbidity	Protocol A 12

WQ3-43 dissolved iron dissolved manganese	Protocol A 1, 2
WQ3-6 dissolved iron dissolved manganese	Protocol A 1, 2
WQ4-12 dissolved iron dissolved manganese	Protocol A 1, 2
CS-19 dissolved iron dissolved manganese	Protocol A 1, 2
CS-20 dissolved iron dissolved manganese	Protocol A 1, 2
CS-21 dissolved iron dissolved manganese	Protocol A 1, 2
VC-9 dissolved manganese total phosphorous	Protocol A' 1, 2, 3, 6, 7, 8, 9 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes dissolved manganese as a laboratory parameter for Oct.-Nov. sampling 8 requires "Also total phosphorous"
VC-6 dissolved manganese	Protocol A' 1, 2, 3, 6, 7, 9 1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes dissolved manganese as a laboratory parameter for Oct.-Nov. sampling
2-413 turbidity	Protocol A 12, 13 12 requires "Field parameters only" Table 2.3.7-2 incorporated Jan. 6, 2005 includes turbidity as a required field parameter for Oct.-Nov. sampling
F-9 (October) turbidity	Protocol C 12 12 requires "Field parameters only" Table 2.3.7-2 incorporated Jan. 6, 2005 includes turbidity as a required field parameter for Oct.-Nov. sampling

S24-1 dissolved iron dissolved manganese tritium	<p>Protocol A 1, 2, 13</p> <p>1 requires "water quality field and operational laboratory measurements" Table 2.3.7-2 incorporated Jan. 6, 2005 includes both dissolved iron and dissolved manganese as laboratory parameters for Oct.-Nov. sampling</p> <p>13 requires tritium (lab may be behind on processing, but CFC has not indicated that, nor asked for additional time on this one)</p>
MC-1 flow	<p>Protocol A' 4</p> <p>4 requires "seasonal flow, TDS, TSS, and total phosphorous"</p>
MC-2 flow	Protocol A' 4
MC-3 flow	Protocol A' 4
MC-4 flow	Protocol A' 4
MC-5 flow	Protocol A' 4
MC-6 flow	Protocol A' 4
92-91-03 air temp. lab sp. cond.	<p>Protocol listed in Table 2.3.7-5, air temp. required as a field parameter</p> <p>specific conductivity required as a lab measurement in addition to the field measurement</p>

HINDRANCE TO ENFORCEMENT VIOLATIONS
INSPECTOR'S STATEMENT

Company/Mine: Canyon Fuel Company, LLC/Skyline Mine
Permit #: C/007/005

NOV # N06-39-3-1
Violation # 1 of 1

- A. **HINDRANCE TO ENFORCEMENT:** (Answer for hindrance violations only such as violations concerning record keeping, monitoring, plans and certification).

Describe how violation of this regulation actually hindered enforcement by
DOGM and/or the public and explain the circumstances.

Explanation: The hydro was reviewing the 2nd, 3rd, and 4th quarter water monitoring information in the EDS. The Hydro found several sites had incomplete information. She notified the supervisor and inspector and a violation was written for not following the requirements of the MRP.

- B. **DEGREE OF FAULT** (Check the statements which apply to the violation and discuss).

☐ Was the violation not the fault of the operator (due to vandalism or an act of God), explain. Remember that the permittee is considered responsible for the actions of all persons working on the mine site.

Explanation: _____

☒ Was the violation the result of not knowing about DOGM regulations, indifference to DOGM regulations or the result of lack of reasonable care, explain.

Explanation: The permittee knew of problems in the MRP in early 2005 but did not take care of these problem ASAP. They assumed the EDS had the requirements of the MRP installed correctly. The MRP requirements were not complete in the EDS.

☐ If the actual or potential environmental harm or harm to the public should have been evident to a careful operator, describe the situation and what, if anything, the operator did to correct it prior to being cited.

Explanation: _____

Hindrance to Enforcement
Inspector's Statement

NOV/CO # N06-39-3-1
Violation # 1 of 1

- ☒ Was the operator in violation of any conditions or stipulations of the approved MRP?

Explanation: Yes, Condition #1 required the water information be entered into the EDS. Several sites had incomplete information.

- ☒ Has DOGM or OSM cited a same or similar violation of this regulation in the past? If so, give the dates and the type of enforcement action taken.

Explanation: No

C. GOOD FAITH

1. In order to receive good faith for compliance with an NOV or CO, the violation must have been abated before the abatement deadline. If you think this applies, describe how rapid compliance was achieved (give dates) and describe the measures the operator took to comply as rapidly as possible.

Explanation: Yes, the permittee submitted a letter stating all possible information was enter into the EDS but some was missing and not available. This was done on the same day.

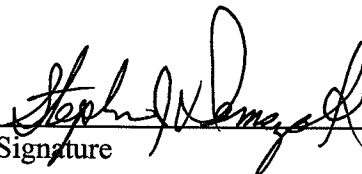
2. Explain whether or not the operator had the necessary resources on site to achieve compliance.

Explanation: Yes, the permittee emailed a letter ASAP.

3. Was the submission of plans prior to physical activity required by this NOV / CO? Yes If yes, explain.

Explanation: A letter stating all information has been entered into the EDS. If information was not available then the permittee stated that no information was available.

Stephen J. Demczak
Authorized Representative


Signature

May 2, 2006
Date



UTAH
NATURAL RESOURCES
Oil, Gas & Mining

3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

~~VACATION/TERMINATION OF~~ NOB-46-2-2, 2 of 2
~~NOTICE OF VIOLATION/CESSATION ORDER~~

"Failure to Maintain Diversions/Sediment Control Measures"

To the following Permittee or Operator:

Name CW Mining Company DBA CO-OP Mining Company

Mailing Address P.O. Box 1245, Huntington, Utah 84528

State Permit No. C/O15/025

Utah Coal Mining & Reclamation Act, Section 40-10-1 et seq., Utah Code Annotated (1953):

Notice of Violation No. N 06-46-2-2, 2 of 2 dated April 10 ~~19~~ 2006

~~Cessation Order No. C~~ ~~dated~~ ~~19~~

Part 2 of 2 is ☐ vacated ☒ terminated because the Permittee has returned
culvert C-25U, Ditch D-25U, and Catch Basin # 2
to function as designed in the MRP.

Part ____ of ____ is ☐ vacated ☐ terminated because _____

Part ____ of ____ is ☐ vacated ☐ terminated because _____

Date of service/mailling 4/17/2006 Time of service/mailling 1:30 ☐ a.m. ☒ p.m.

Mark Reynolds
Permittee/Operator representative

Permitting Coordinator
Title

Mailed/FAXed from DOGM/Price
Signature

Peter Hess
Division of Oil, Gas & Mining

Environmental Scientist III
Title

Peter Hess
Signature





UTAH
NATURAL RESOURCES
Oil, Gas & Mining

3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

VACATION/TERMINATION OF NOTICE OF VIOLATION/CESSATION ORDER

To the following Permittee or Operator:

Name Canyon Fuel Co LLC

Mailing Address Skyline Mine

State Permit No. C/007/005

Utah Coal Mining & Reclamation Act, Section 40-10-1 et seq., Utah Code Annotated (1953):

Notice of Violation No. N 06-39-3-1 dated 4/25/06, 19 ____.

Cessation Order No. C _____ dated _____, 19 ____.

Part 1 of 1 is ☐ vacated ☒ terminated because permittee has met the
statements requirements,

Part ____ of ____ is ☐ vacated ☐ terminated because _____

Part ____ of ____ is ☐ vacated ☐ terminated because _____

Date of service/mailling 5/1/06

Time of service/mailling 11:30 ☒ a.m. ☐ p.m.

Chris Hansen
Permittee/Operator representative

Environmental Coordinator
Title

Chris Hansen
Signature

Stephen J Demczak
Division of Oil, Gas & Mining

Reclamation Specialist
Title

Stephen J Demczak
Signature



0015



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 4, 2006

CERTIFIED MAIL
7044 2510 004 1824 7548

Mike Glasson
Andalex Resource
P.O. Box 902
Price, Utah 84501

Subject: Informal Conference on the Proposed Assessment State Notice of Violation
N06-99-1-1, Andalex Inc. Resources, Centennial Mine, C/007/019

Dear Mr. Glasson:

In accordance with R645-401-700 and your request dated March 24, 2006, please be advised that an informal conference on the Fact of Violation for Notice of Violation N06-49-1-1, Andalex Resources Inc., Centennial Mine has been established for Tuesday, April 18, 2006, beginning at 9:30 am. This informal conference is to review the proposed penalty assessment.

Pertinent, written material you wish reviewed before the conference can be forwarded to Mary Ann Wright, Associate Director, Mining and Assessment Conference Officer, at the address listed below.

The conference will be held in the office of the Department of Natural Resources, Price Field Office. Please check in at the DNR front desk and then proceed to the conference room.

Sincerely,

A handwritten signature in cursive script that reads "Vickie Southwick".

Vickie Southwick
Executive Secretary

VS

cc: Mary Ann Wright
Daron Haddock

H:\Assessment conference\Andalex\AnalexInformal Assesment confer..doc

Mike Glasson" <mglasson@andalex.com> 3/20/2006 11:10 AM >>>
Hi Vicki,

I know you have gone to a lot of trouble to schedule our assessment conference on the 28th. I just found out that circumstances which I cannot control dictate that I be here that day.

I would really appreciate it if there was any way to reschedule for sometime mid-April or after.

I'm very sorry for the inconvenience Vicki.

Mike Glasson.

">>> "Semborski, Chuck" <Charles.Semborski@PacifiCorp.com> 4/3/2006
10:54 AM >>>
Vickie,

The environmental engineer critical to discussions related to the NOV is back to work. Can we schedule the conference for April 7th at 1:30 PM?

Thanks

Chuck Semborski
Manager of Geology/Permitting
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528
Phone:
Work - (435)687-4720
Cell - (435)650-5355

From: Semborski, Chuck
Sent: Monday, March 27, 2006 11:09 AM
To: 'Vickie Southwick'
Subject: RE: Informal Conference

Vickie,

Energy West request that the informal conference scheduled for March 28 be postponed. The environmental engineer critical to the discussions related to the circumstances associated with the NOV was recently injured and is unable to attend. We can re-schedule the conference as soon as he is available.

Thanks for your help.

Chuck Semborski
Manager of Geology/Permitting

Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528
Phone:
Work - (435)687-4720
Cell - (435)650-5355

From: Vickie Southwick [<mailto:vickiesouthwick@utah.gov>]
Sent: Friday, March 10, 2006 7:23 AM
To: Semborski, Chuck
Subject: RE: Informal Conference

Good Morning Chuck,
I have Schedule the informal conference for March 28th at 10:00 am. I
will be sending you a copy of the notice.
Thanks

>>> "Semborski, Chuck" <Charles.Semborski@PacifiCorp.com> 3/3/2006
1:44 PM >>>

March 28th @ 10AM will work. Let me know if Mary Ann has any conflicts.

Thanks

Chuck Semborski
Manager of Geology/Permitting
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528
Phone:
Work - (435)687-4720
Cell - (435)650-5355

From: Vickie Southwick [<mailto:vickiesouthwick@utah.gov>]
Sent: Friday, March 03, 2006 12:23 PM
To: Semborski, Chuck

Subject: RE: Informal Conference

Chuck,

Thank you for getting back with the dates and time. I am setting this conference up for March 28th at 10:00 am. I still need to check with Mary Ann since she has been out of the office all week. Please let me know if this date and time will work with you.

Thanks

>>> "Semborski, Chuck" <Charles.Semborski@PacifiCorp.com> 3/1/2006 8:30 AM >>>

Vickie,

We have the following dates open for the month of March:

March 16

March 27-31

Time: 10AM or later.

Thanks

Chuck Semborski
Manager of Geology/Permitting
Energy West Mining Company
P.O. Box 310
Huntington, Utah 84528
Phone:
Work - (435)687-4720
Cell - (435)650-5355

From: Vickie Southwick [<mailto:vickiesouthwick@utah.gov>]

Sent: Wednesday, March 01, 2006 8:01 AM

To: Semborski, Chuck

Subject: Informal Conference

Good Morning Chuck,

I am setting up the informal conference that you requested. Could you please send me some dates and times that would work with your schedule. Thanks

This email is confidential and may be legally privileged.

It is intended solely for the addressee. Access to this email by anyone else, unless expressly approved by the sender or an authorized addressee, is unauthorized.

If you are not the intended recipient, any disclosure, copying, distribution or any action omitted or taken in reliance on it, is prohibited and may be unlawful. If you believe that you have received this email in error, please contact the sender, delete this e-mail and destroy all copies.

=====
=====
